<u>REMARKS</u>

The allowance or allowability of claims 3-15 is noted with appreciation.

Applicants have amended the dependent claims 4, 7, 8, 11 14 and 15 in consideration of the Examiner's comments and suggestion regarding multiple-dependent claims, and note the objection to original claim 2 that currently stands in independent form. Accordingly, claims 2-15 are now submitted to be patentable to Applicants.

Claim 1 has been rejected under 35 U.S.C. §102(e) as being anticipated by Kato et al. '628.

Claim 1 has been cancelled without prejudice and the subject matter thereof has been incorporated into new claim 16 presented herewith merely to define the invention with greater particularity.

Specifically, new independent claim 16 now recites "creating a predictive image of the current image from the movement of the image capturing device and past images, and for calculating differential image data, said differential image data being a difference between the predictive image and the current image," and "a figure-ground segregation means for modifying the local flows based on the differential image data, and for identifying a figure candidate area by determining the modified local flows that have larger value than a predetermined threshold

value," and "determining presence or absence of objects in said figure candidate

area."

These aspects of the claimed invention are not disclosed or fairly derived

from Kato et al. '628 which is understood, including at the passages cited by the

Examiner, to lack disclosure of any means for creating a predictive image of the

current image from the movement of the image capturing device and the past

images, in any manner resembling Applicants' claimed invention. It is therefore

respectfully submitted that new claim 16 is not anticipated by, but instead is now

patentably distinguishable over, Kato et al. '628.

Favorable reconsideration and allowance of all claims 2-16 are solicited.

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